



Missouri Department of Natural Resources Energy Center

MISSOURI ENERGY BULLETIN

May 12, 2005

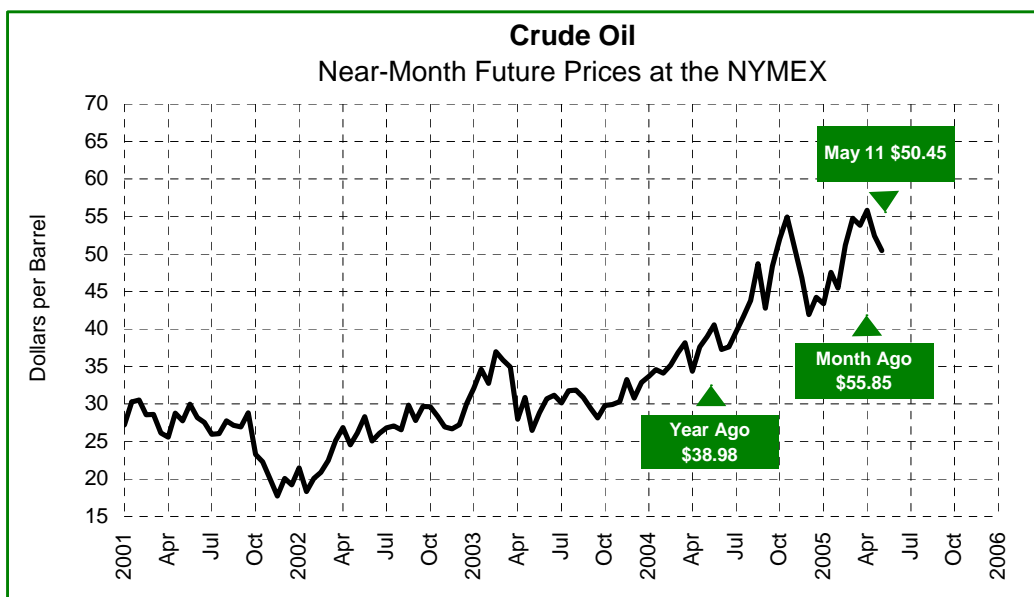
Crude Oil

On May 11, NYMEX crude oil futures settled at \$50.45, a decrease of \$5.40 per barrel compared to last month, but \$11.50 or 29% higher compared to this time last year.

Crude Oil - Near Month Future Prices (dollars per barrel)

	<u>05-11-05</u>	<u>04-06-05</u>	<u>change</u>	<u>05-04-04</u>	<u>change</u>
NYMEX	\$50.45	\$55.85	down 10%	\$38.98	up 29%

- NYMEX futures crude oil prices settled at \$50.45 per barrel on May 11, following a series of price reductions that began in early April. NYMEX prices reached a record high of \$57.27 on April 1. Since the beginning of May, crude oil prices have broken through the \$50 threshold and settled in the \$49 price band on May 1 and May 3.
- U.S. crude oil inventories are at their highest levels since March 2002. As of the week ending May 6, commercial supplies of crude oil increased by 2.7 million barrels to 329.7 million barrels. This is 29.7 million barrels or 10 percent higher than at this time last year



- According to EIA's May 10 *Short-Term Energy Outlook*, U.S. crude prices are projected to remain above \$50 per barrel for the rest of 2005.

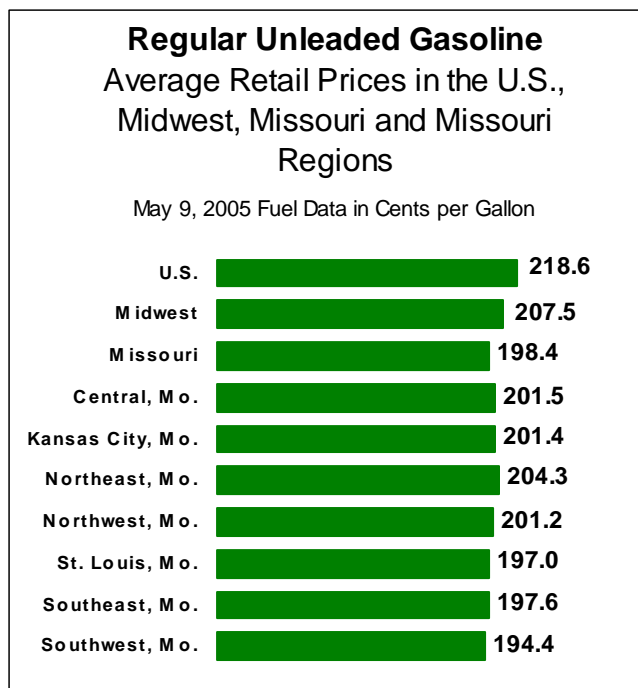
Transportation Fuels

On May 9, Missouri's average retail price for regular unleaded gasoline was \$198.4 per gallon, nearly \$0.20 per gallon lower than the \$2.17 per gallon record set on April 4.

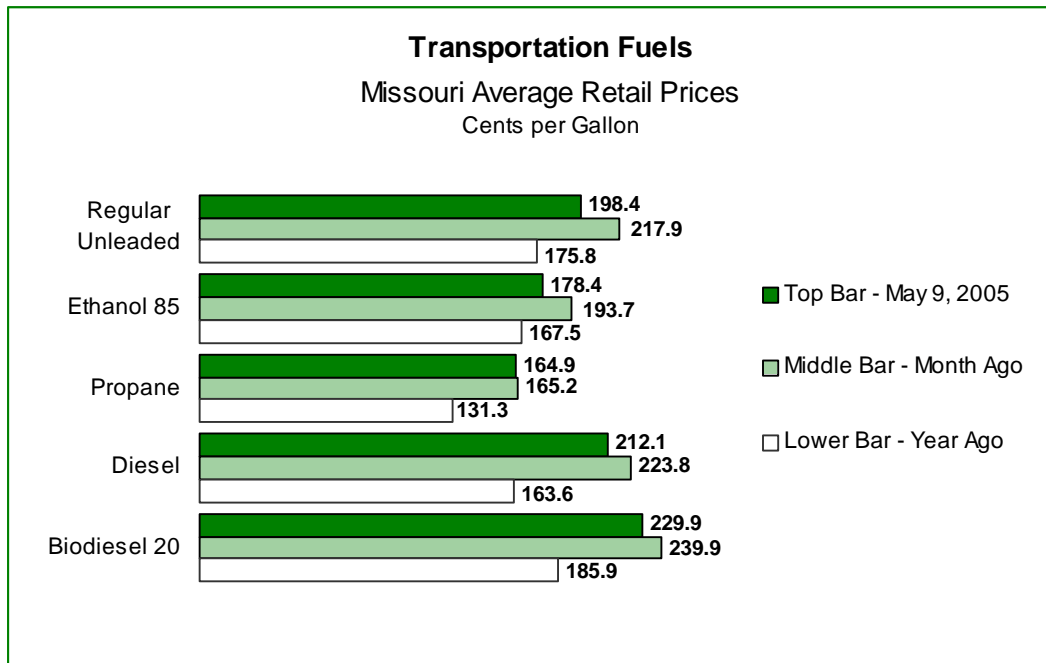
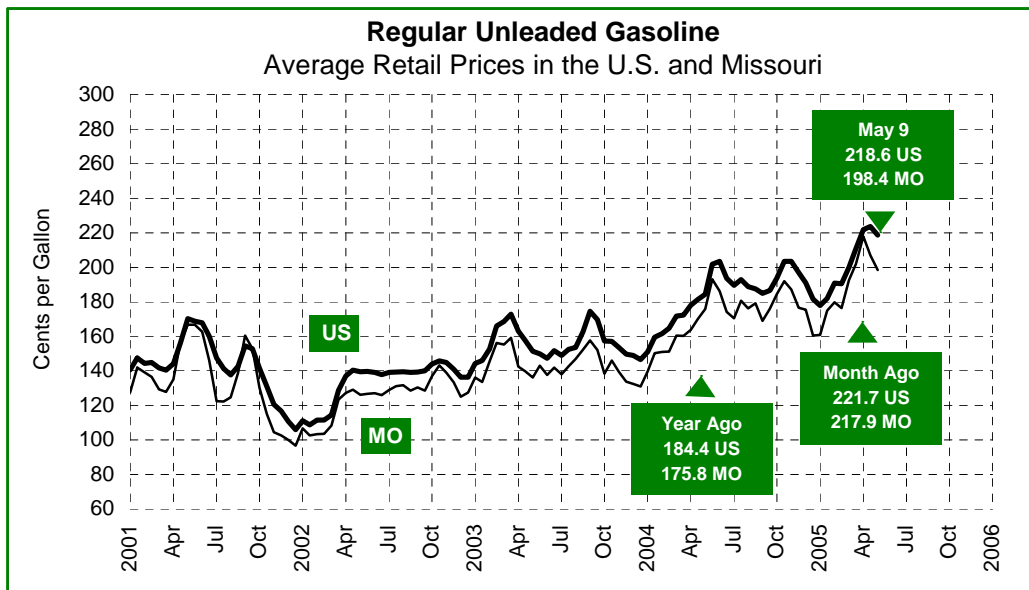
<i>Regular Unleaded Gasoline - Retail Prices (cents per gallon)</i>					
	<u>05-09-05</u>	<u>04-04-05</u>	<u>change</u>	<u>05-03-04</u>	<u>change</u>
US	218.6	221.7	down 1%	184.4	up 19%
Missouri	198.4	217.9	down 9%	175.8	up 13%

<i>Diesel Fuel - Retail Prices (cents per gallon)</i>					
	<u>05-09-05</u>	<u>04-04-05</u>	<u>change</u>	<u>05-03-04</u>	<u>change</u>
Missouri	212.1	223.8	down 5%	163.6	up 30%

- Retail gasoline prices in Missouri continue to decrease since April 11. On May 9, Missouri's average retail price for regular unleaded gasoline was reported at \$1.984 per gallon, a decrease of nearly \$0.20 per gallon lower than the \$2.17 per gallon record set on April 4. U.S. prices also are trending lower at \$2.184 per gallon, down from the \$2.24 per gallon record average price ever recorded by EIA (not adjusted for inflation) set on April 18.



- U.S. retail diesel fuel prices fell 3.5 cents last week to 222.7 cents per gallon. The current Missouri average retail diesel price was 212.1 cents per gallon, a decrease of 11.7 cents from last month but still 48.5 cents per gallon or 30 percent higher compared to this time last year.
- According to the EIA, U.S. gasoline prices in 2005 are projected to remain high, at an expected average of \$2.17 per gallon for the April to September summer season, 27 cents above last summer. U.S. average retail gasoline prices are expected to remain above \$2 per gallon on a monthly basis throughout 2005.



Motor Gasoline - Total Stocks (millions of barrels)					
	05-06-05	04-01-05	change	04-30-04	change
US	213.7	212.3	up 1%	204.0	up 5%

- U.S. gasoline supplies for the week ending May 6 increased 0.2 million barrels from the prior week to 213.7 million barrels – well within the 5-year average range. This is 11.2 million barrels higher than this time last year. U.S. gasoline imports the week ending May 6 were 1.1 million barrels per day compared to 0.9 million barrels per day imported for the same period last year.

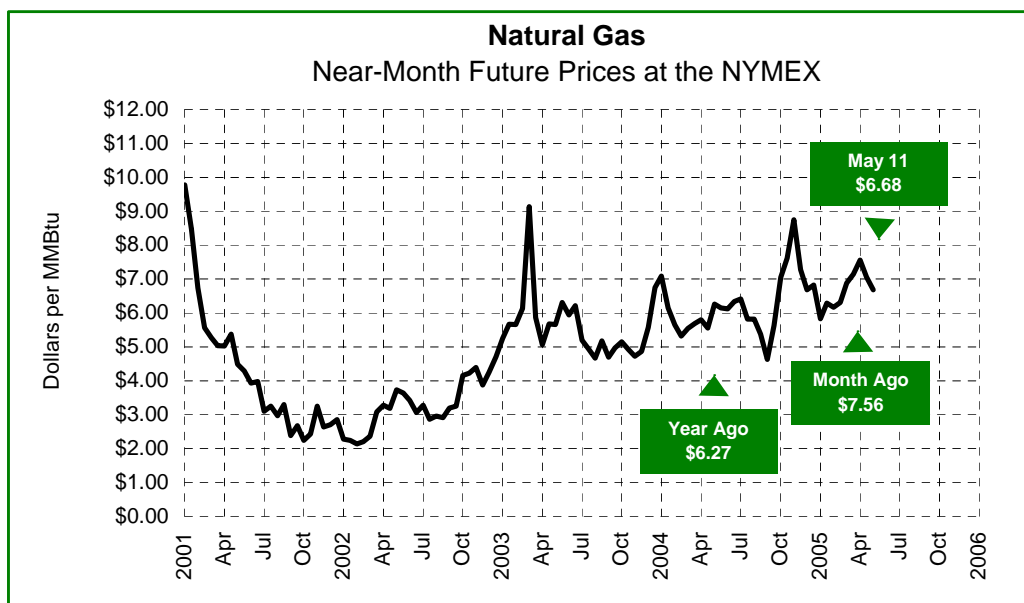
Natural Gas

Approximately 56 percent (1,261,397) of Missouri households use natural gas to heat their homes. Natural gas is also used to produce goods and electricity.

On May 11, natural gas futures closed at \$6.68 per MMBtu, a decrease of \$0.88 since last month, but \$0.41 or 7% higher than this time last year.

Natural Gas - Near Month Future Prices (dollars per mmbtu)					
NYMEX	05-11-05	04-06-05	change	05-04-04	change
	\$6.68	\$7.56	down 12%	\$6.27	up 7%

- According to the EIA, moderating temperatures reduced natural gas demand in most parts of the country, contributing to lower spot prices at all market locations in the Lower 48 States. Spot market price declines ranged between 51 and 80 cents per MMBtu.
- Working gas in storage was 1,509 Bcf as of Friday, May 6, 2005, according to the EIA *Weekly Natural Gas Storage Report*. The implied net injection during the week was 54 Bcf, or 25 percent less than the previous 5-year average injection of 72 Bcf. Despite the relatively low net injection, stocks remain 22.3 percent above the 5-year average and 217 Bcf above the year-ago level. Cooler-than-normal temperatures across much of the Lower 48 States likely contributed to the relatively low net injection of natural gas into storage.



Propane

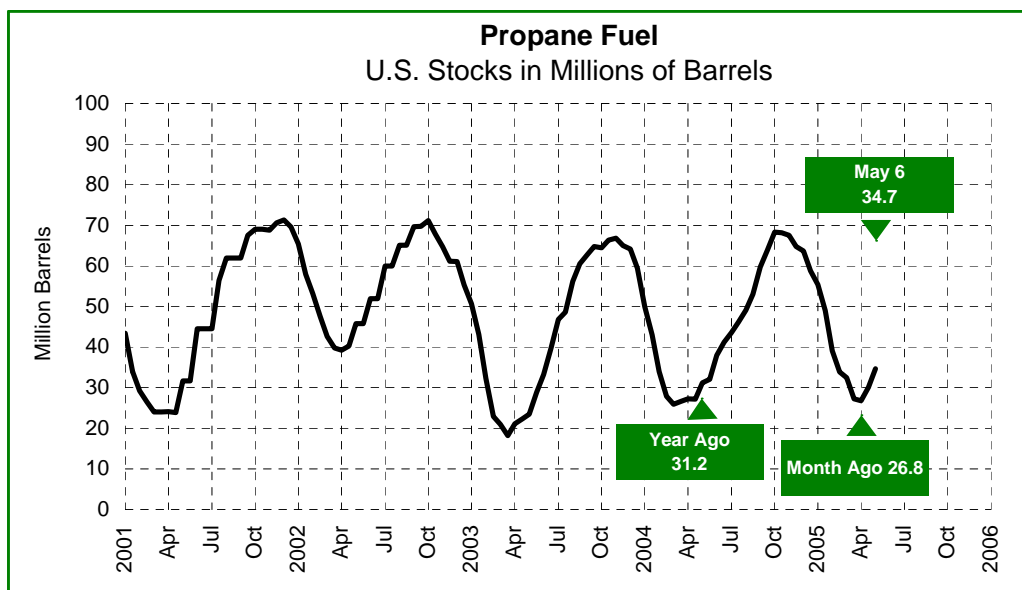
Approximately 13 percent (293,803) of Missouri households heat with propane, which is also used to support commercial operations, produce goods, dry grain harvests and fuel vehicles.

Missouri's average retail propane price was \$1.45 per gallon on May 9, down \$0.04 from a month ago, but \$0.30 or 26 percent higher than a year ago.

Propane - Residential Prices (cents per gallon)

	<u>05-09-05</u>	<u>04-04-05</u>	<u>change</u>	<u>05-03-04</u>	<u>change</u>
Missouri	145.0	149.1	down 3%	115.2	up 26%

- U.S. inventories of propane climbed higher by 1.5 million barrels last week to reach an estimated 34.7 million barrels as of May 6, 2005. The Midwest region posted a 0.6-million-barrel increase, moving supplies from 11.3 to 11.9 million barrels. Midwest supplies of propane were reported at 12.5 million barrels at this time last year.



Missouri Energy Outlook – Summer 2005

The Missouri Energy Outlook, an energy resource analysis reviewing prices and availability of energy in Missouri over the summer months will be released in May by the Missouri Department of Natural Resources' Energy Center. The Missouri Energy Outlook will be available online at the department's Web site at <http://www.dnr.mo.gov/energy/energyoutlook.pdf>, or copies may be obtained by calling the Missouri Department of Natural Resources' Energy Center at (573) 751-3443 or the department toll free at (800) 361-4827.

The Missouri Energy Bulletin is distributed twice a month by the Missouri Department of Natural Resources, Energy Center. The Energy Center collects transportation and propane heating fuel prices from several retail providers located throughout the state. To preserve confidentiality, price data are averaged and reported by region. The Bulletin is a public resource made available to state government decision-makers, other interested individuals upon request and on-line at the Energy Center Internet address. The department thanks each of the following in helping to provide accurate, timely data on fuel supplies and prices: the U.S. Department of Energy's Energy Information Administration; the National Association of State Energy Officials; the St. Louis AAA Auto Club; regional state energy offices; and Missouri's energy retailers.

For more information, contact: MO Dept. of Natural Resources, Energy Center, P.O. Box 176, Jefferson City, MO 65102-0176; Phone: (573) 751-3443; Fax: (573) 751-6860; E-mail: energy@dnr.mo.gov; Web Address: www.dnr.mo.gov/energy/transportation/fb.htm